

# **POLICY BULLETIN CHILD NUTRITION PROGRAMS**

**FDCH 07-07**

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**SUBJECT: Questions and Answers**

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1. Q. When a block claim is identified, does the specific meal block claimed have to be observed during an unannounced visit?
  - A. No. The guidance intends the sponsor to review the facility's meal/menu records during the unannounced visit (FDCH 21-05). Although it may be beneficial to drop in for a specific meal which appears to be included in a block claim, the visit may or may not include an observation of a meal.
2. Q. How should a sponsoring organization evaluate a household income application that list a dollar amount in 15a and the words "rollover" in 15b of the provider's IRS form 1040?
  - A. The CACFP Eligibility Guidance for Family Day Care Homes page 31 defines Income as any money received on a recurring basis. IRA rollovers are not income that is received on a recurring basis and are not accessible to the household. (CACFP-520 see attached) use of IRS Form 1040 and Eligibility Guidance for Family Day Care Home Corrections, page 3, instructs that all of a retiree's annual income received on a recurring basis from sources such as IRAs, pensions and annuities must be counted as income to the household.

The attachment included with CACFP 520 may be confusing and should be modified to read as follows:

Line 15, IRA Distributions-only report the income that is available for the household's use on a regular basis. Line 20, Social Security Benefits-only report the income that is available for the household's use on a regular basis.
3. Q. Can a state agency or sponsor require institutions or day care homes to conduct CACFP business, such as applications and claims, using only automated systems?

- A. No. Although it may be appropriate to establish an internet based system or records, including but not limited to application submissions and claims processing, any such system must include a means by which to fully access Program benefits without internet access; otherwise, an eligible institution would be denied access to the program.

(CACFP-792 Question 6, 35, 40, CACFP Policy 520)